REMARKS

This Amendment is submitted in response to the Office Action dated August 8, 2004, having a shortened statutory period set to expire November 8, 2004. Claims 1-4, 12-15 and 23-26 are pending. Applicant has amended Claims 1, 12 and 23. No new matter has been entered by these amendments.

Election/Restrictions

Applicant notes that Claims 5-11, 16-22 and 27-33 are canceled per Applicant's election without traverse filed on May 3, 2004.

Claim Rejections Under 35 U.S.C. §101

Claims 1-4 and 12-15 have been rejected under 35 U.S.C. §101 because the claimed invention is directed to non-statutory subject matter. That rejection is respectfully traversed and reconsideration of the claims is rejected.

As an initial matter, Applicant has invented a "new and useful process" as is recited in 35 U.S.C. §101. The Examiner's application of the cited case law on "technological arts" is flawed. The claims in the present application are directed to a new and useful process that does not fall within any of the exceptions of "laws of nature," "natural phenomenon," or "abstract ideas." The Examiner's recitation of *In re Toma* is therefore erroneous, as that case only applies to those applications that have otherwise been shown to present claims falling within one of the three exceptions identified in *Diamond v. Diehr*. The Examiner's application of the "two prong" test without presenting any evidence or justification that the claims are directed to an abstract idea is erroneous. On page 4 of the present Office Action, the Examiner seems to suggest that while the Courts have clearly ruled that there is no "business method exception," nonetheless the test of *Toma* still applies to determine if the claims fall within the "technological arts." The U.S. Constitution, the U.S. Supreme Court and the U.S. Court of Appeals for the Federal Circuit have never recognized any such "technological arts" requirement for a business method patent. In any event, as a threshold matter, it is clear from the case law, including the decision of the Board of Patent Appeals and Interferences in *Ex Parte Bowman*, the ruling of *Toma* applies *solely* if the claims of the invention fall within one of the judicially created exceptions. The Examiner has

presented no evidence that the claims in the present application are directed to an abstract idea. Here, the claims are clearly directed to a business methodology of specific non-abstract steps, and at that point the analysis under *Toma* stops.

In any event, Applicant has amended the independent claims in the present application to recite a method implemented by a data processing system. Consequently, the claims in the present application now recite a computer implementation of the recited methods. Because the claims in the present application are directed to a new and useful process implemented by a computer and are not one of the cited exceptions. For the reasons given above, Applicant believes that the rejection under §101 is not applicable, or alternatively, in view of the fact the claims in the present application are now directed to a computer implementation of a method, Applicant believes that the rejection §101 under has been overcome.

Claim Rejections Under 35 U.S.C. §102

On page 6 of the present Office Action, Claims 1-4, 12-15 and 23-26 are rejected under 35 U.S.C. §102(e) as being clearly anticipated by *Maycock, Jr., et al.* (U.S. Patent No. 2001/0047336). That rejection is respectfully traversed and reconsideration of the claims is requested.

Claim 1 in the present application has been amended to recite *inter alia*:

> *determining whether the allowed vendors listing specifies that a charge authorization request from all vendors not identified within the allowed vendors listing are to be declined;*
>
> *determining whether a charging vendor for a current charging transaction is identified on the allowed vendors listing;*
>
> *if the charging vendor is not on the allowed vendors listing, declining the current charging transaction;*

Nowhere within *Maycock* is it suggested that a list of approved retailers or vendors is associated with the credit card. For example, the potential applications recited in paragraphs 37-45 identify a "specified retailer" or a specified amount of transaction value. With respect to the process shown in Figure 4, a credit card account is selected (step 160), an authorized credit limit for an authorized transaction is specified (step 162), a number of transactions to be performed is

authorized (step 164) and a length of time to complete a transaction is specified (step 166). Even Claim 3 recites "a specific vendor." Nowhere does *Maycock* show or suggest a list of approved or allowed vendors from which specific exceptions or limits can be discerned through search of the transaction limitor 16 database. In other words, the present invention recites a system where transactions originating from a vendor not on the approved list is automatically declined. The system disclosed by *Maycock* requires a search of the database for affirmative limits on a transaction for a vendor, otherwise the transaction proceeds. As can be seen, the present invention provides a more secure credit card management system by only permitting authorized vendors from performing authorized transactions within the set limits and exclusions.

For the reasons given above, Applicant submits that the present invention is neither shown or suggested by *Maycock* and that exemplary Claim 1 in the present application should be reconsidered. For the same reasons as given above, Applicant submits that the remaining pending claims in the present application are also not shown or suggested by *Maycock* and that those claims should also be reconsidered.

Respectfully submitted,

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